

Choosing a Target Market

In this exercise, you are presented with a number of market segments for the smart phone market. For each segment you are given top-level information regarding their core need, size growth, and profit margin.

Your task here is to identify which one is the most attractive market segments to select as a target market.

SEGMENT NAME	NEED	SIZE	GROWTH	MARGIN
Fashion focused	Need to be trendy, cool, up-to-date	Large	Flat	High
All the features	Need to have all the latest tech	Medium	Good growth	Good
Simply the best	Need to have the status of always buying the best	Small	Some	Very high
Shoppers	Need to be a smart shopper and buy cheap or buy value	Large	Good growth	Low
Lives on the phone	Need to keep socially connected and entertained	Large	Some	Fair
Highly informed	Need to access news/radio at a more convenient time/place	Medium	Good growth	Good
High quality	Need to enjoy high quality music with all the sounds	Small	Longer-term	Very high
Babysitters	Need to keep the kids entertained or rewarded	Medium	Good growth	Fair
The ideal gift	Need a better gift for the kids than last year	Medium	Good growth	Fair

Student Discussion Questions

1. Which of your market segments would you select as the most attractive target market/s?
2. Why do you think these are the most attractive segments?
3. On what basis/criteria did you use to select the most attractive target market/s?